Saint John Fundy Region

Saint John, St. Stephen, St. Andrews, St. George, Hampton, Sussex, Grand Bay

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Annual Report
1986-1987

ANNUAL REPORT - TABLE OF CONTENTS

Page

CHAIRMAN'S REMARKS 1

GENERAL MANAGER'S REPORT 5

BOARD OF DIRECTORS 7

ADMINISTRATION 11

PROVINCIAL GOVERNMENT ASSISTANCE 14

FEDERAL GOVERNMENT ASSISTANCE. 21

INDUSTRIAL PARKS ACTIVITY. 26

INDUSTRY - GENERAL 28

PROMOTION/SPECIAL PROJECTS - GENERAL 33

FINANCIAL STATEMENTS 41

CHAIRMAN'S REMARKS

The 1986-87 year was one of the Commission's busiest and most productive in terms of projects initiated and assistance rendered through seminars and workshops that provided information to existing and new business representatives on grants, business management, technical know-how, and industrial park development.

Highlights of the year included:

Follow-up on Brief Presented to Cabinet in March 1986

After the presentation of the Brief dealing with the region's economic concerns and possible action by the Provincial Government to address these needs, members of the Commission met with 13 cabinet ministers over the three-day period of April 28, 29 and 30th to discuss items affecting their departments and their plans of action to deal with them. The Executive of the Commission then met with the Premier before reporting back to the municipalities on the results of these meetings.

The Executive also met with the Leader of the Opposition.

The process was significant in that it brought together elected municipal officials from all parts of the region to develop a common document - something new in the way of cooperation among municipalities. However, the process took too long and, as a result, progress was not as marked as had been anticipated. The meeting with the Premier should have taken place shortly after the meeting with the provincial cabinet.

The Commission plans to discuss the presentation of a similar brief on a regular basis.

The Commission at Work

The Strategy and Organization Review Report prepared by Touche Ross in 1983, recommended a restructuring and downsizing of the Commission's Board of Directors in order to improve efficiency and increase involvement. The Executive Committee, acting as directed by the board members, contacted the member municipalities and as a result, the Commission's board has been reduced in size and now includes one director (with an alternate) from each of Grand Bay, Hampton, St. Andrews and St. George, two directors from St. Stephen and Sussex, and six from Saint John.

The Commission held 10 Board of Directors meetings during the year while the Executive Committee met 7 times and conferred with the Minister of Commerce and Technology 4 times as well.

The Commission's office has been redecorated, refurbished and linked with the office of the City of Saint John's Community and Economic Development Department about which more will be reported later. Also, a new computer system that provides a link with various regional commissions and the City of Saint John is being installed.

Promotion Activities

While promotion activities were more extensive than last year and will be dealt with elsewhere, there is a new thrust that deserves special mention and that thrust is our contact with the State of Maine.

Aware that Maine and Northeastern New England represent a tremendous area for potential business trade developments, our Commission has been most active in developing contacts and following up on those contacts. To this end, we started with a display at the Annual General Meeting of the Northeast Regional Association of Assessment Officers and took part in the Fifth Annual Maine World Trade Day. These led to visits by the General Manager with representatives of Waterville, Lewiston, Auburn and Portland, Maine chambers of commerce. And early in the new year, we plan to take a business delegation to several municipalities in Maine for meetings with fellow entrepreneurs in hopes that some dealings will develop as a result.

New Agencies involved in Economic Development

Community and Economic Development Department/Saint John Economic Development Advisory Council - The City of Saint John has set up this special department and advisory council with objectives that are quite similar to our own. However, they differ markedly in that they can engage in or promote seek and find efforts, something regional commissions are not supposed to do. They have city funding to do the job.

In order to minimize duplication and maximize results, our Executive has met with the Honourable Fernand Dube and his Deputy, as well as with Mayor Elsie Wayne and the City Manager to develop strategies that will enable the Commission and these two organizations to complement one another. Patricia McKinney has been hired to carry out responsibilities associated with the interface between the Commission and the Department of Community and Economic Development. In addition, the Chairman of the Saint John Fundy Region Development Commission is an exofficio member

of the Economic Development Advisory Committee and, at present, one member of that Council is on the board of our Commission.

Charlotte County Agencies - In keeping with an announcement contained in the 1986 "Speech from the Throne", the Provincial Government has given Bill Bryden of the Provincial Job Protection Unit responsibilities in Charlotte County with assistance from the Charlotte County Citizens' Advisory Council. Vice Chairman Gordon Mitchell of St. Stephen and our General Manager serve on this council which makes recommendations to the Job Protection Unit concerning job development and maintenance issues.

Also, Canada Employment and Immigration has designated Charlotte County as a "Community Futures Program" area which will help to deal with industrial and employment problems. Gordon Mitchell represents the Commission on a committee established to undertake a five-year planning study.

While our Commission feels that, through cooperative efforts, much can be done to enhance the region's economic base, it is not unaware of the dangers that can result if the various agencies operate in isolation.

The Commission is also contributing human resources to programs such as the Youth Enterprise Council on which Commission members serve as directors, and Junior Achievement where staff members serve as advisors.

A Financial Problem

Each member municipality is asked each year to budget a sum sufficient to meet its share of the Commission's budget.

This year Saint John budgeted $71,000 toward its 1987-88 share of $81,000, leaving a shortfall of $10,000. To add to the problem, the Commission has been advised that its office rent, which has been very reasonable, is to be increased by approximately 62% to bring it in line with rents paid by other tenants. The shortfall will, therefore, create a financial crisis. The Commission, through its executive, has initiated talks that may resolve the difficulty. The Commission will be kept informed.

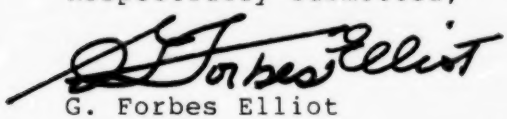
Other aspects of the Commission work dealing with industrial parks, advertising, promotion, financial and other assistance, Commission personnel and so on, will be dealt with elsewhere in this report.

At this time I want to pay tribute to our General Manager, Don O'Leary and his staff for the contribution that they have made to the work of the Commission and to say a "thank you" to those who have served as members of the Commission's Board of Directors.

We, as members of the Commission, feel honoured to serve our communities and are indebted to the municipalities of the region and to the Department of Commerce and Technology for their financial and other types of support.

In conclusion, we, as members of the Commission, are committed to do everything possible to improve the economic and business base of the region.

Respectfully submitted,



G. Forbes Elliot
Chairman

GENERAL MANAGER'S REPORT

Dear Mr. Chairman:

The 1986-87 annual report of the Commission is a review of a very busy and productive year.

The Commission's purpose is to promote economic development which is a very broad mandate. The extent of our day-to-day activities and job responsibilities is just as broad.

The Commission, in 1986-87, has been involved in trade missions, land sales in industrial parks, the preparation of community profiles, advertised visits to our participating communities, the production of our newsletter, seminars on government programs and topics important to the business community, committees on Canada Employment and Immigration policy, Charlotte County issues, the Youth Enterprise Centre in Saint John, presentation to the provincial and federal governments on economic issues important to our area such as the Star Kist plant and sugar tariff issues and highways throughout the region, advertising our region, a change in the size of our Commission Board of Directors, Directors making several visits to Fredericton to meet cabinet ministers, Junior Achievement, programs on entrepreneurship awareness at the community college and university, maintenance programs in the industrial parks, etc. The list seem endless.

There are three items I would particularly like to highlight:

1. The business community of our region took advantage of more federal and provincial government programs than ever before. Details of this assistance are explained in this report. We feel assisting the business person in the application process is our most important day-to-day function and, therefore, look at the results of approvals under the various programs with pride.

2. The Student Venture Capital Program produced significant results. Eighteen students went into business for themselves last summer and projects were even more ambitious than in previous years. Our commitment to this program was highlighted when the Hon. Joseph Mombourquette, Minister of Labour, recognized these entrepreneurs with a certificate presentation at our annual dinner meeting last September.

3. The McAllister Industrial Park water system was upgraded at a cost of $1.7 million. This project improved the infrastructure for present tenants in the park and the marketability of the site to prospective new tenants.

1987-88 will witness a continuation of these efforts and with the momentum of a strengthening economy throughout our region, we anticipate that it will result in many new economic development opportunities.

Yours truly,

Donald O'Leary

Donald F. O'Leary
General Manager

BOARD OF DIRECTORS - 1986/1987

	Director	Occupation	Community
1.	Forbes Elliot	General Entrepreneur	Saint John
2.	Pat Darrah	Executive Director, Saint John Construction Assoc.	Saint John
3.	William Bartlett	Chartered Account/Partner Touche Ross & Co.	Saint John
4.	Lee April	Real Estate Investor and Developer; Robbins-April	Saint John
5.	Douglas Fifield	Real Estate Sales Central Trust	Saint John
6.	Stewart Baker	Lawyer - Gorman, Nason & Lyungstrom	Saint John
7.	Peter Jollymore	Vice-President Planning NBTel	Saint John
8.	Judy Collins	Partner, Waddell-Leore Travel Agency	Saint John
9.	Tony Rickett	Franchisee of Service Master and Entrepreneur	Saint John
10.	Walter Flewelling	President, Willett Foods, The Food Group	Saint John
11.	John Emmerson	President, Eastern Paper	Saint John
12.	Peter Murray	Sales Manager, Moosehead Breweries Ltd.	Saint John
13.	Gil Carter	President, G.E. Barbour Company Ltd.	Sussex
14.	Keith Alward	Deputy Mayor & Owner/ Manager, Blue Unicorn Book Store	Sussex
15.	John Whitters	Owner/Manager, Royal Printing	Sussex
16.	Ray Bursey	Retired Businessman	Hampton

17.	James Hovey	Deputy Mayor and Insurance Agent, Fairweather Insurance	Hampton
18.	Walter Kozak	Deputy Mayor and Manager, Fundy Weir Fishermen's Association	St. Andrews
19.	Peter Frye	Stevedore/Bayside Stevedoring	St. Andrews
20.	Al Craig	Controller, Armstrong Construction	St. George
21.	Brian Tatton	Deputy Mayor and Painting Contractor	St. George
22.	Robert Hanselpacker	Councillor and Owner/ Manager Save-Easy	St. George
23.	William Garcelon	Owner, Print'N Press Ltd. & Entrepreneur	St. Stephen
24.	Allan Gillmor	Deputy Mayor, High School Teacher	St. Stephen
25.	Gordon Mitchell	Insurance Salesman, North American Life	St. Stephen
26.	Frank McCallum	Shift Supervisor, Point Lepreau	St. Stephen
27.	Edward Kelly	Deputy Mayor, Insurance Agent, Kelly Insurance	Grand Bay
28.	Diane Bormke	Councillor, Business-woman	Grand Bay

Note: Near year-end there was a major restructuring of the Board of Directors which resulted in a reduction in the number of members representing each municipality as follows:

Municipality	**Previous No. of Representatives**	**Current No. of Representatives**
Saint John	10	6
Hampton	2	1
St. Andrews	2	1
St. George	2	1

St. Stephen	3	2
Sussex	3	2
Grand Bay	2	1

Board of Directors

During the year, the following individuals ended their position as Directors on our Board:

Name	**Municipality**
Pat Darrah	Saint John
Lee April	Saint John
Doug Fifield	Saint John
Stewart Baker	Saint John
Judy Collins	Saint John
Tony Rickett	Saint John
John Whitters	Sussex
James Hovey	Hampton
Peter Frye	St. Andrews
Brian Tatton	St. George
Robert Hanselpacker	St. George
William Garcelon	St. Stephen
Allan Gillmor	St. Stephen
Diane Bormke	Grand Bay
Ed Kelly	Grand Bay

The following appointments, where applicable, replaced those above (taking into consideration the recent reduction in the size of the Board):

Name	**Municipality**
Walter Flewelling	Saint John
John Emmerson	Saint John
Peter Murray	Saint John
Al Craig	St. George
Frank McCallum	St. Stephen
Ed Kelly *	Grand Bay

* Note: Ed Kelly's position as a Director was terminated near the beginning of 1986/87 and reinstated near the end of the year.

EXECUTIVE OFFICERS

Forbes Elliot	Chairman
Gil Carter	Vice Chairman
Gordon Mitchell	Vice Chairman
William Bartlett	Treasurer
Ray Bursey	Secretary

AUDITORS

Clarkson Gordon

BANKERS

The Bank of Nova Scotia
The Bank of Montreal

Commission Meetings

During the period from April 1, 1986 to March 31, 1987 the following meetings were held:

Board of Directors	10
Executive Committee	7
Annual Meeting	1

Total average director attendance at our meetings was 55%, up 9% over last year.

Over and above our regular Commission business, there were many highlights of our Board gatherings throughout the year.

In April, a tour of Ganong's candy factory was followed by a meeting at St. Stephen's Tourist Information Centre and an opportunity to meet local municipal and St. Stephen Development Board representatives. In May, a group enjoyed an interesting tour of the Workers' Rehabilitation Centre near Grand Bay, then welcomed Grand Bay Councillors at our gathering in that community. Many enjoyed a July tour of Moosehead Breweries, followed by a special dinner and meeting at Thistle-St. Andrews Curling Club in Saint John. In September, our Annual Dinner was highlighted by a presentation from Paul Phoenix, Chairman of the Canadian Manufacturers' Association.

December's meeting featured Bob Stronach of Canada Employment and Immigration, who explained the concept of the "Community Futures Program" and Charlotte County's related designation. Garry Hartle of the National Research Council (NRC) spoke about NRC's Saint John Field Office services at the January meeting including access to an incredible amount of research and development information and financial assistance. In February, Bill Bryden from the province's Job Protection Unit explained the purpose of his organization and why it was established.

Industrial tours and guest speakers continue to enhance the value of Board of Directors meetings in terms of services available to the business community, as well as, in familiarization with major regional businesses and related facilities.

Commission Staff

Commission full-time staff throughout the year consisted of:

Don O'Leary - General Manager

The General Manager is responsible for the overall management and administration of the Commission's activities and staff, policy planning and implementation, and industrial development. He is also the primary representative on behalf of the organization to industry and all levels of government.

Ron Gaudet and Patricia McKinney - Economic Development Officers

They are responsible for the promotion and, where applicable, administration of provincial and federal government assistance programs; representing the Commission at, and the organization of, business information sessions; industrial park activity; advising business interests on appropriate available properties; and providing general business and marketing advice to the business community which includes visiting the member municipalities.

Heather Hickson - Information & Promotion Officer

She is responsible for writing, editing, the layout and distribution of the Commission's Perspective newsletter and the preparation of quarterly/annual reports. She also provides general information services, arranges for all advertising including paid ads and press releases, undertakes special promotional projects and acts as an advisor to the secretary concerning office operation and procedures.

Theresa Flewwelling - Secretary/Receptionist

Theresa is responsible for reception duties, typing, word processing, filing, handling preparations for, and taking minutes of, Commission Board meetings, photocopying, and office supplies requisitions.

Jean Penney - Secretary/Bookkeeper

Jean's responsibilities include bookkeeping, reception duties, processing outgoing mail, publication subscription maintenance, typing and other general secretarial duties in assisting the Secretary/Receptionist.

Both Jean and Patricia were hired during the year. Jean was required to assist with the ever-increasing workload of the secretary and to assume the bookkeeping duties. Patricia's position was made possible with financial assistance from the provincial government. Her basic responsibility is to support the growth and development of industry in the City of Saint John and the region in general. Advice on available financial assistance programs and marketing strategy, as well as the identification of new areas of business opportunity are priorities.

Summer Students

The Commission was fortunate to receive assistance under two summer student employment programs, over and above assistance received from Commerce and Technology to hire students to maintain the region's provincially-owned industrial parks. One student was hired under Employment and Immigration Canada's Challenge '86 program designed to offer students on-the-job training, preferably in their field of study. This student worked as a research assistant on the development of the Saint John Community Profile, as well as other projects.

Two students were hired with assistance from the Department of Labour's Summer Youth Employment Program. They both worked in the Planning Department of the City of Saint John on a project relating to an industrial land survey.

The Commission also hired a student independently to work on the industrial land survey, as well as special Commission projects.

PROVINCIAL GOVERNMENT ASSISTANCE

In an ongoing effort to better serve our region's business community, the Commission has maintained an effective relationship with staff members of the provincial government, in particular the departments of Commerce and Technology, and Labour. Staff members have assisted, whenever possible, to help our organization accomplish its objective of encouraging economic development. Assistance was often in terms of human or financial resources in support of special projects.

Department of Commerce and Technology

Most of the Commission's dealings with the provincial government have been with Commerce and Technology. Les Bragdon, Project Officer, acted as liaison for the Commission. He kept staff aware of items of significance which might have an effect on work results. He also responded to enquiries relating to his department and department policy in general.

During the third quarter, Les was reassigned and Paul DeLong took over temporarily in this capacity. Eventually, Kevin Kearns became the liaison officer.

Claire LePage, Manager of Regional Commissions has provided support and assistance as required and has maintained an effective line of communication in keeping the Commission informed of policy changes or new procedures which could possibly influence our economic development efforts. She and her staff worked with some representatives of the province's commissions in establishing a "Director's Handbook" which clearly defines the responsibilities of any commission's Board of Directors' members. She also coordinated a committee which established an interlinking computer system throughout the province's economic development commissions.

Small Industry Financial Assistance Program (SIFAP)

Administered by Commerce and Technology, SIFAP continues to be one of the most successful financial assistance programs offered by the provincial government. To eligible companies, it offers 30% of capital costs for business expansion and 50% of capital costs for business establishment. Capital costs can be no more than $150,000, thereby limiting this program to certain businesses in the small business sector.

There was a significant increase in regional project approvals this year over the 1985/86 fiscal year - 35 compared to 23 last year, or a 52% increase.

The New Brunswick Industrial Development Board meets regularly to assess, and to make recommendations on, all applications for financial assistance to industry. This assistance normally takes the form of a direct loan or a loan guarantee. There is also an appeal board which allows an applicant the opportunity to appeal a decision of the Industrial Development Board. The following is a summary of the area's SIFAP activity for the year.

SIFAP APPROVALS AS OF MARCH 31, 1987

	NAME	LOCATION	ASSISTANCE APPROVED	COSTS	JOBS CREATED
1.	PRW Mechanical	St. George	$ 6,000	$ 20,000	1
2.	Harbour de Loutre Products Ltd.	Campobello Island	54,742	109,483	8
3.	Saint John Marble Co.	Saint John	19,200	64,000	2
4.	Shamrock Truss & Components	Saint John	17,930	59,768	3
5.	Seaside Woodworks	Saint John	380	1,268	0
6.	Badger & Sons Woodworking	Grand Manan	8,950	17,900	2
7.	Roland Flagg	Grand Manan	3,000	10,000	1
8.	McMillan Press	Saint John	18,300	61,000	0
9.	Redwind Glass Works	St. George	2,800	5,600	3.5
10.	Branscombe Foundry	Hampton	18,000	60,000	2
11.	Repairtec Ltd.	Saint John	74,818	149,635	8
12.	Amesco Ltd.	Sussex	21,600	72,000	11
13.	Valley Welding & Machine Ltd.	Sussex	9,000	30,000	2
14.	Sussex Machine Shop	Sussex	44,400	148,000	7
15.	Forgey Bros. Ltd.	Saint John	51,500	103,000	1
16.	Special K Fisheries	Grand Manan	42,288	147,626	10
17.	Walton's Concrete	Hammond River	12,000	40,000	5
18.	Atlantic Three Ring Binder Factory	Saint John	19,000	65,000	4
19.	Southern Charlotte Fish Company Ltd.	St. George	23,998	60,000	2
20.	Amesco Ltd.	Sussex	32,400	108,000	8
21.	Wayside Industries	Saint John	27,300	91,000	8
22.	J.A.C. Fisheries	Pennfield	25,520	51,040	4
23.	Auto Art'N Sound	Saint John	23,207	46,414	2
24.	Valley Fence Co. Ltd.	St. Stephen	25,080	83,600	15
25.	Atlantic Press Ltd.	Hampton	7,500	25,000	4
26.	Otterlake Pallets	Saint John	13,710	45,700	2-3

SIFAP Approvals Continued....

	NAME	LOCATION	ASSISTANCE APPROVED	CAPITAL COSTS	JOBS CREATED
27.	Saint John Door and Window	Saint John	$ 15,000	$ 30,000	1-2
28.	Thera-Ped	Saint John	66,313	132,626	3.5
29.	Whole Family Fisheries	Grand Manan	10,833	36,110	2
30.	East Coast Plastics & Screen Print Ltd.	Saint John	24,000	80,000	4.5
31.	J & J Machine Shop	Sussex	26,700	89,000	3
32.	Key Industries	Saint John	21,465	47,155	4
33.	Dantech Enterprises	Saint John	10,195	33,982	2
34.	Lingley Printing Co.	Saint John	42,423	141,409	3
35.	Roy Pope & Sons	Belleisle Cr.	15,000	52,000	2
		Saint John 16			
		Charlotte 10			
		Kings 9			
			35 $ 834,552	$ 2,184,316	140

NOTE: These are projects which were approved for assistance and do not necessarily represent all those which accepted the offer as of year-end.

Other Department of Commerce and Technology Services

Most Commission staff contact with Commerce and Technology is related to SIFAP, however, this department offers many other services related to the business community.

Provincial Holdings Ltd. - It is a crown corporation which holds and administers the Province's equity capital. This agency can take an equity position in manufacturing and processing industries wishing to locate in New Brunswick.

Venture Capital Support Program - This program is designed to encourage venture capital investments in New Brunswick through the attraction of new equity participation in eligible companies in the province. Venture capital support assistance consists of an interest-free loan made by Provincial Holdings Ltd. to an eligible venture capital firm which proposes an investment in an eligible company. There has been a recent increase in interest in venture capital companies and the process in general as another means of business development.

Trade Division - This section of Commerce and Technology offers assistance for business export development including market planning, trade show participation, trade missions, incoming buyers missions, technical consulting services and management consulting services. This division administers the "Trade Assistance Program" which has been established to assist businesses to expand domestic (but out of province) and export markets.

Also, Commerce and Technology is responsible for the Provincial Government's interest in the Canada/New Brunswick Subsidiary Agreement on Industrial Development and the Canada/New Brunswick Subsidiary Agreement on Industrial Innovation and Technology Development (see section on Federal Government for more information on agreement approvals).

Department of Labour

During the year, the provincial Department of Labour (at times in conjunction with other federal or provincial departments) offered many job creation programs which resulted in business development. The region's business community took advantage of several programs which provided assistance in the hiring of post secondary graduates in their field of study (Career Start Program), disabled and chronically unemployed individuals (Jobs In Business Program), those for the tourism industry, including construction workers (Tourism Development Program). There was also a Student Venture Capital Program which offered loans of up to $2,000 for students to start a summer business. Detailed listings of eligibility criteria are included in each program

outline, available at the Commission's office.

The following chart indicates the regional activity under these programs during the fiscal year:

Program	Approvals	Jobs Created
Career Start	3	4
Jobs in Business	29	36
Tourism Development	3	10
Student Venture Capital	18	22

Tourism, Recreation and Heritage

Department of Tourism, Recreation and Heritage representatives continued to administer provincial applications under the $32 million Canada/New Brunswick Subsidiary Agreement on Tourism Development.

See the following list of approvals in the region under this program:

SAINT JOHN FUNDY REGION APPROVALS

Canada/New Brunswick Subsidiary Agreement on Tourism Development

	Name	Location	Total Costs	Assistance
1.	Fairway Motor Inn & Rest.	Sussex	$ 252,687	$ 95,806
2.	Quaco Inn	St. Martins	124,600	51,922
3.	Poley Mountain Dev. Ltd.	Sussex	167,412	70,223
4.	DBA Houseboat Vacation	Sussex	75,000	37,500
5.	Seaside Beach Resort	St. Andrews	50,235	25,118
6.	D & F Amuse-ments	Saint John	55,000	27,500
7.	Atlantic Tours	Rothesay	33,570	15,120

8.	The Royal Game Ltd.	Province Wide	8,834	5,300
9.	Explorations Env.	Province Wide	40,876	6,576
10.	Seaside Beach Resort	St. Andrews	50,235	25,118
11.	Tara Manor Inn	St. Andrews	115,940	54,790
12.	Rockwood Park	Saint John	76,975	46,185
13.	Fundy Lodge	Digdequash Lake	97,215	48,608
	Total to Date		$1,148,579	$509,762

Charlotte County Citizens' Advisory Committee

The General Manager is a member of the Charlotte County Citizens' Advisory Committee. This organization, one of several established in designated areas of the province, was set up by the Province's Job Protection Unit to provide input and direction to the unit concerning priority economic development issues, particularly if they relate to major employment issues.

FEDERAL GOVERNMENT ASSISTANCE

Throughout the year, contact with the federal government was mainly with the departments of Regional Industrial Expansion, and Employment and Immigration, primarily in relation to financial and other assistance for business.

Department of Regional Industrial Expansion (DRIE)

Bob Bourgeois became the new provincial Executive Director of DRIE during the past year. It is planned that Mr. Bourgeois will make a presentation to the Commission's Board of Directors early in the new year. This is evidence of the department's and the Commission's efforts to maintain a cooperative and effective working relationship.

In November, DRIE sponsored a two-day workshop called "Industrial Licensing Opportunities" which was held in our office boardroom. A representative of Lomar Associates, worldwide licensing consultants, was on hand to meet with local business representatives and discuss licensing and joint venture opportunities available throughout the world.

In January, DRIE helped to support (financial and otherwise) the Commission's and the Saint John Board of Trade's efforts to organize an "Atlantic Opportunities Program" seminar which was held in Saint John in January.

The department also coordinated the making of a film entitled "New Brunswick, A Prosperous New Future." This 10-minute presentation can be used in promotion of the region as well as the province, particularly if being viewed by a foreign trade delegation visiting the area.

Industrial and Regional Development Program (IRDP)

DRIE continues to administer IRDP to the region's business community. In some ways, where the Small Industry Financial Assistance Program leaves off, IRDP takes over, but it is geared to medium to large sized businesses in the private sector. Some of the projects covered under this program include industrial innovation, plant establishment, modernization and expansion, and marketing and consultant studies. Five local projects were approved for funding during the year.

- MMH Prefab Ltd. of Sussex received $39,375 in assistance toward costs of $225,000. A 35' x 90' addition to the plant was completed to allow for the construction of larger prefabricated

homes in an effort to expand domestic and export markets.

- Grand Manan Boats Ltd. received $21,617 toward the estimated production costs of $43,234 to build a unique 33-foot fiberglass reinforced plastic boat. The company has been experimenting with a unique blend of all-Canadian materials to produce a hull that is equal to those now being built with costly imported products.

- Microwave Techniques Canada Ltd., purchaser of the E.S. Stephenson Co. Ltd. plant and operation in Grandview Industrial Park in Saint John undertook a $1.039 expansion to allow the company to design, develop and manufacture a full range of high frequency, low power microwave products and components. The contribution under IRDP was $259,750.

- Last fall, Ronald's Printing Atlantic Ltd. received $377,500 in funding towards total capital costs of $2.4 million to renovate and establish in the former Chan Foods building located Grandview Industrial Park. The establishment of this company has added a new dimension in printing capability in the province. Jobs previously sent out of the province will now be done here.

- Sussex & Studholm Agricultural Society underwent a $168,606 modernization with $29,506 in assistance under the program. This included a new dump pit on the railway track, a number of 25-ton storage bins and an auguring system. One new job was created, but ten have been assured through increased competitiveness of the company.

Canada/New Brunswick Subsidiary
Agreement on Industrial Development

The federal and provincial governments signed the Subsidiary Agreement on Industrial Development in December 1985 designed with the objectives of expanding and diversifying the industrial base within New Brunswick, improving the climate for industrial development, expanding and diversifying the economy and increasing domestic and foreign market penetration by New Brunswick products. There are three programs under the sub-agreement, which expires in 1990. The federal government is contributing $21 million and the provincial government is contributing $9 million for a total of $30 million. Notification of three approvals in the area have been received.

- The City of Saint John received $80,000 towards $103,123 cost of a free trade zone study at the Port of Saint John. A free enterprise zone in the city could provide new employment possibilities by providing a duty-free port of entry where added manufacturing or processing could be carried out within

the designated area before exporting the goods to world markets. Results are now being evaluated.

- The Port of Saint John was allotted $140,000 for a marketing study to develop a marketing plan which will maximize the port's full traffic potential.

- Digital Products Ltd. of Saint John received a total of $33,012 in funding to hire a product marketing officer to assist with an aggressive sales program of the new "Microhelper" which is designed to assist telephone repairpersons locate line and station faults in a much shorter time than previously possible. It is expected that export markets will be developed.

Atlantic Enterprise Program

The Atlantic Enterprise Program, which was announced late in the last fiscal year, has been revised (January 1987). Initially, it provided loan guarantees for new term loans of $250,000 or more. That dollar figure has been reduced to $100,000, thereby providing access to a larger number of organizations. The program also offers interest buy-downs for new term loans of $25,000 or more, up to a maximum of six percentage points. A wide range of business and industrial sectors are eligible.

Canada/New Brunswick Subsidiary Agreement on Industrial Innovation and Technology Development

In May, 1986, the federal and provincial governments signed a $28.6 million Subsidiary Agreement on Industrial Innovation and Technology Development. The agreement is aimed at increasing the competitiveness of existing industry through technology transfers and by diversifying New Brunswick's industrial base. The five-year agreement, ending in 1991, is being funded 70 percent, to a maximum of $20 million, by the federal government through DRIE and 30 percent by the provincial government, to a total of $8.6 million, through Commerce and Technology.

Canadian Jobs Strategy/Local Advisory Council

The Province of New Brunswick has entered into an agreement with Employment and Immigration Canada on the delivery of programs and services under the Canada Jobs Strategy. Local Advisory Councils have been established to enhance the spirit of cooperation between business, labour, community groups and government. The General Manager is on the local council. This provides the Commission with a forum to deal with local labour market issues at a level of authority and to possibly have an effect on job creation programs available in the region. There have been

several meetings during the year. In March, the General Manager made a presentation to Employment and Immigration representatives recommending how certain components of the Canada Jobs Strategy should be tailored to best serve the needs of the people of southwestern New Brunswick.

Atlantic Opportunities Program

The Atlantic Opportunities Program, effective December 1986, is a major federal government initiative which is comprised of a special set of measures designed to increase public purchasing in Atlantic Canada by $600 million over the next four years. As mentioned in the section "Department of Regional Industrial Expansion", the Commission, together with the Saint John Board of Trade, organized a one-day seminar in January in an effort to promote the program. Government representatives from the departments of Commerce and Technology, DRIE, Supply and Services Canada, and National Defense gave presentations. The Honourable Monique Vezina, Minister of Supply and Services was guest speaker.

Program for Export Market Development (PEMD)

As more emphasis is being put on the importance of exportation to the economy, more business people are taking advantage of available assistance such as the "Program for Export Market Development." PEMD offers up to 50% of costs related to such expenses as travel, booth space in a foreign trade show, and promotional literature production for the development of sales out of Canada. If the individual is successful and sales result from the promotion, contributions from the program are repayable over a period of time. There are also other export promotions eligible under this program.

Community Futures Program

Canada Employment and Immigration has designated Charlotte County as a "Community Futures Program" area. The program attempts to address industrial and employment problems in regions of the province with a population of not more than 50,000, having a higher than normal unemployment rate and experiencing a period of economic downturn, but with some hope of recovery. A committee has been established with members representative of all relevant groups in the community. The committee is undertaking a five-year planning study. Along with annual committee operating expenses for five years, funding for this program will be made available from the federal government. The group is required to incorporate as a non-profit organization. There are several financial assistance components to the program, administered by

the organization members, to assist with unemployment problems in the area. It is intended that the Community Futures Program operation in Charlotte County will become self-sufficient after five years.

Youth Enterprise Program

Canada Employment and Immigration, under the Innovation Component of the Canada Jobs Strategy, is sponsoring the establishment of nine "Youth Enterprise Centres" across Canada. One of these has opened in Saint John.

The centre will provide training and counselling in all aspects of business management, administration and technical production. Enrollment will be open to people between the ages of 18-34 with plans of starting or expanding their own businesses. One million dollars has been allocated for the local centre for operating costs over a three-year period.

The Chairman and General Manager are on the centre's board of directors.

National Research Council (NRC)

A crown corporation, the National Research Council has established a field office on the campus of the University of New Brunswick in Saint John to serve area business people. This organization is one of the best research and development resources in the country. The local office can provide the key to an incredible amount of scientific information.

The Council's "Industrial Research Assistance Program" is designed to increase the calibre and scope of industrial research and development through the use of the latest available technology. The six elements of the program are: Field Advisory Service, Technical Information Service, Contributions to Firms Employing Undergraduates, Contributions to Laboratory Investigations, Contributions to Small Projects and Contributions to Larger Projects. Staff at the Saint John office has the authority to approve projects, thus providing a quick turn around time so projects can get underway as quickly as possible.

Maintenance Program

For the fifth consecutive year, the Commission has arranged for summer students to undertake maintenance of a number of the region's industrial parks. As previously mentioned, some funding was provided by the provincial government. Additional funding was made available specifically for Saint John parks from the City of Saint John.

Land Sales/Projects Undertaken

- A lot of approximately two acres in Sussex Industrial Park was sold to Maritime Hydraulics of Moncton for construction of a building.

- Also in the Sussex park, a 1/2-acre lot was sold to Sussex Tire Ltd. for expansion purposes.

- MMH Prefab Ltd. in Sussex Industrial Park underwent an expansion which included a 35' x 90' extension to building facilities, allowing for the production of larger modular homes for specific Canadian and U.S. markets.

- In Grandview Industrial Park in Saint John, Rightway Freight established during the first quarter and Dominion Refuse built a new building.

- Two new signs were installed at the entrance of Sussex Industrial Park.

- The provincial government agreed to allow the Commission to undertake a surface levelling in McAllister Industrial Park.

- The Sussex Industrial Park brochure has been updated.

- Sussex Distributors purchased over two acres in Sussex Industrial Park to establish a dairy products distribution centre.

- PCL Industries purchased property in Grandview Industrial Park to prepare a facility for the manufacturing of plastic bags.

- A one-acre lot was sold in the Sussex Industrial Park to Fred C. Morrison of Nova Scotia. The company is an industrial equipment and tool supplier.

- A lot was sold in McAllister Industrial Park in Saint John to Atlantic Controls Ltd., a distributor of industrial control components.

- Atlantic Home Improvements built a new warehouse in the Grandview Park.

- Forgey Bros. relocated from Rothesay Avenue in Saint John to Grandview Industrial Park, constructing a 4,000 sq. ft. building to facilitate the move.

- In January, the Commission coordinated a ribbon-cutting ceremony recognizing the official completion of McAllister Industrial Park water pressure project.

As indicated, there was a tremendous amount of activity in many of the area's parks, particularly in the Sussex park. This represents the most land sales and projects experienced in many years, indicating an improvement in the economy. The objective now is to encourage the municipal and the provincial governments to work with Commission staff in upgrading the parks' facilities and appearance in hopes of additional land sales and developments.

The following provides an overview of certain industrial sectors of the region's economy including some of the issues which developed during the fiscal year.

Fishing

The Star Kist tuna plant at Bayside in Charlotte County has been closed since the fall of 1985 after federal government fisheries inspectors declared that a million tins of tuna were unfit for human consumption. Following that, conflicts arose between the plant owner, H.J. Heinz Ltd., and the government which kept the issue unsettled. A turning point was when a delegation of 21, including the Commission's General Manager, went to Ottawa on March 4th to meet primarily with Fisheries Minister Tom Siddon. The group was positively received by the minister as well as other politicians. At that time, Mr. Siddon made a commitment to visit the plant in the near future in an effort to progress toward its reopening as soon as possible.

Connors Bros. Ltd., with its head office in Blacks Harbour, Charlotte County, announced the rebuilding of its Seal Cove, Grand Manan sardine cannery which was lost to fire last summer. The new processing plant will provide 120 jobs. It is expected to be complete for the 1987 processing season. Connors employs about 2,000 people alone in Charlotte County in five canneries and has been in business for close to 100 years.

Aquaculture

The Aquaculture industry in southwestern New Brunswick continues to grow. The opportunities for individuals wanting to get involved are still almost limitless and it is rapidly becoming a high tech business. Not only is the actual "fish farming" aspect of aquaculture growing, but spinoff industries are beginning to develop such as in the manufacturing of seacages and fish food.

With about 27 salmon trout growers in the region, it is estimated that the industry is already responsible for 500 jobs. Between $6-8 million was generated from the sale of mature fish this past winter. Next year $15 million is expected, with upwards of $50 million in five years. As the business grows, however, so does the competition from countries such as the United States, Norway and Scotland.

Atlantic Silver Ltd., the local marketing cooperative for farmed fish, can deliver fresh Atlantic Salmon anywhere in North America

within 24 hours of extraction from a sea cage. This helps to maintain the competitive edge.

In April 1986, the federal Department of Fisheries announced a $1.3 million program for salmon aquaculture in the region which enabled 12 established salmon growers to triple their capacity and helped nine others begin operations.

Funded under the federal-provincial fisheries sub-agreement, a salmonid demonstration and experimental farm officially opened around the beginning of the fiscal year. Located at Lime Kiln Bay near Blacks Harbour, it is being administered by Salmonid Seaculture Ltd. Staff have undertaken several projects to assist with the development of the industry.

Shipbuilding

In October, Saint John Shipbuilding Ltd. representatives indicated that delivery of the first of the Canadian Patrol Frigate Program's six new frigates may be delayed. It is still hoped that the October 1989 delivery date will be met, but a possible delay was indicated due to design problems.

The six frigates' cost (three of which will be built at the Saint John yard) was established at $3.8 billion in 1983, but it is now estimated that the cost will be around $5 billion.

In February, the Six Cities of New Brunswick Association pledged support of Saint John in its bid to win the contract to build six more ships under phase two of the program. With the expertise, knowledge and equipment gained from work on the first phase, it has been reported that if contracts go to other Canadian shipyards, the government may pay as much as $25 million more per vessel. The cities association offered support because if the local shipyard gets the contract, it will be beneficial to the entire province in terms of jobs and other spinoffs. However, the federal government has not yet committed to construction of the second contract.

Port of Saint John

It has been a difficult year for all provincial ports, but particularly the Port of Saint John which is preparing for the impact of the loss of a major Japanese container service in May, representing 50 per cent of the port's container cargo. Representatives of the consortium hope to fill part of the gap at the port by establishing a feeding service of smaller vessels, connecting Saint John to New York. There are also other container lines which are being encouraged to replace the lost business. As well, a delegation of Port officials recently

returned from a business promotion trip to the Far East. It is hoped that some future customers may result.

Saint John's loss seems to be a result of the world shipping trends. It appears that container lines, under pressure of slow moving world economies, are either going bankrupt or combining routes and concentrating services to a few giant terminals using bigger and more efficient ships. Although initially the trend works against Saint John's future as a container service, it may bring other commodities to the port. For example, more and more ships may have to be rerouted due to the size increase and their inability to travel through certain seaways such as the St. Lawrence.

In the meantime, results of marketing studies of the port are being analyzed to determine the best course of action in an attempt to maintain competitiveness.

Bayside Port

It was a fairly good year for the Bayside Port at Sand Point in Charlotte County. This was so even though the Star Kist tuna plant, which provides 15-20% of business, was not in operation during this time.

The port acquired a new customer representing two Dutch companies fishing for mackerel in U.S. waters. They required docking and other facilities to load the fish nearby and ship directly to African customers. This development looks positive as it is anticipated that three times more business will result in 1987 from these and other Dutch firms.

Also, a company in Nigeria is looking for a port to load quantities of Canadian fish. It is hoped that some dealings can be established in the near future.

Import/Export

More and more emphasis is being put on development of export markets including trade and licensing agreements with other countries. Both the federal and provincial governments offer financial and other assistance such as reference material and advice on how best to approach and deal with businesses in areas around the world.

Another method of developing trade relations is for an area to "twin" with a comparable foreign area (i.e., municipality, province, state, etc.). This requires a great deal of effort, as a social and/or a cultural exchange may be required before effective business links can be established.

Patricia McKinney, one of the Commission's economic development officers recently undertook a study to determine the feasibility of the City of Saint John twinning with China, with consideration given to other parts of the world. A detailed report was prepared as a result and is a valuable tool which any municipality could use if considering a possible twinning arrangement for their area.

Food and Beverage

It is hopeful that the federal government will rule against a proposed federal duty on imported raw sugar. A duty on sugar is being advocated by Canadian corn and sugar beet growers primarily in Ontario and Manitoba who want imported sugar to be less competitive. The result of this duty would be an immediate devastation of Lantic Sugar in Saint John and, in a very short time, a serious impact on jobs at many other area manufacturing firms.

During the third quarter, the General Manager went to Ottawa as part of a delegation to present a brief to the Canadian Tariff Board against imposition of the tax. At year-end a decision still had not been made.

In August, Kings County's Dairytown Products Ltd. captured the title of Grand Champion for the best butter at the Canadian National Exhibition in Toronto. Also, in November, Dairytown scored two category firsts at the Royal Agriculture Winter Fair in Toronto, coming very close to winning the overall championship there as well.

Mining

Despite the success of exploration and production in the region's two potash mines, it was not a particularly good year due to a decline in potash consumption around the world. Basically, an agricultural recession has resulted in a less than ideal supply/demand situation. However, the Denison-Potacan Potash Company and the Potash Company of America in Kings County have maintained production levels.

Nearby BP Resources Canada has completed surface exploration which resulted in an encouraging discovery of numerous potash deposits. The company has not made a decision on sinking an exploration shaft to conduct an underground exploration program to date. If a positive decision is made, the capital investment could be between $350-450 million.

Canada's potash is marketed in the United States, India, Japan, Brazil, Korea and Malaysia. Ready access to inexpensive ocean

freight through the Port of Saint John should continue to give regional companies an important competitive edge over other North American producers in the market area. In February, however, two of the five potash producers in the United States asked for a 43% duty on Canadian potash coming into the U.S. The petitioners accused Canada of selling government-subsidized potash on the American market. The charges were aimed specifically at Saskatchewan where the largest mine is government-owned. New Brunswick's government does not subsidize the province's mines. A final ruling on the matter is not expected until summer.

Forestry

In 1986, the forest industry experienced an increase in output over 1985 as a result of improved markets for pulp and paper products and a continued strength in residential construction.

Although it is still too early to determine the long-term impact of the 15 per cent export tax on softwood to the U.S., factors being considered include interest rates, the ability of affected companies to bear the tax and whether or not American customers still prefer Canadian lumber despite a price increase.

The Commission's business promotion efforts are expressed in many different ways including business information sessions, export/trade development projects, a serious interest in our youth and future entrepreneurs, visits to our member municipalities to meet with community and business representatives, the publication and distribution of promotional material, lobbying our provincial and federal government representatives to act on regional economic concerns, and an overall attempt to create more awareness of the varied services that our and other related organizations offer.

Business Information Sessions

Throughout the year, Commission staff worked independently, or in cooperation with other organizations, to coordinate many information sessions for the business community. Topics of presentations included financial assistance programs, the preparation of business plans, industrial licensing, marketing, the small business employer, research and development support, and export/trade development. Results of these sessions are being analyzed to assist in streamlining future offerings in terms of benefits derived by the business community and comparative costs.

Advertised Visits

Our Economic Development Officers participated in many visits to our member municipalities, normally on a monthly basis to the larger centres. These entail establishing a meeting room (as designated by municipal office staff), usually in the municipal office, in order to meet with local business representatives or potential entrepreneurs to discuss business plans, financial assistance programs, marketing efforts, or any other aspect of business in which the individual requires assistance. Commission staff also responds to requests for meetings on a demand basis.

Brief to Cabinet Follow-up

On March 20th, 1986, 35 regional representatives went to Fredericton to present a brief to the provincial government outlining our area's economic concerns as reported in our 1985/86 Annual Report. Following this, in late April, individual meetings with 13 provincial ministers were held to discuss items relating to each department portfolio. All concerns were positively received. Each minister pledged to seriously consider

those related to him or her.

On July 15th, the Commission's Executive Committee and General Manager met with Fernand Dube, Minister of Commerce and Technology at which time Mr. Dube gave his assurance that he would support specific concerns whenever possible.

Early in September the same group of individuals met with Premier Richard Hatfield. The Premier promised to look into regional issues. The Leader of the Opposition was given the opportunity to review our concerns as well.

Also, on November 6th, a meeting with our region's mayors and councils and our Board of Directors was organized to bring all concerned up-to-date regarding past and planned follow-up meetings and results to the initial presentation of the brief.

Microcomputers for Commissions

A steering committee made up of the Commission's General Manager, a Department of Regional Industrial Expansion representative and two Department of Commerce and Technology representatives, met several times throughout the year in an effort to provide the province's economic development commissions with an interlinking computer system. Linkage with other organizations is also in the plan. At year-end, all commissions had received the appropriate equipment. A staff training program has been established by Commerce and Technology, sponsors of the project.

The system should benefit the commissions in many ways including providing access to certain federal and provincial information, word processing capabilities and the provision for development of data bases for industrial and office operations.

Junior Achievers (JA)

For the third consecutive year, Commission staff members were advisors to a group of Junior Achievers. This year, the two Economic Development Officers assisted high school students in the planning and formation of a company. The process included capital acquisition, product development, marketing, liquidation of assets and company closure. Termination of the JA company will be complete before the end of May 1987.

Economic Development Program - Year II

Economic Development Officer, Ron Gaudet, attended "Year II" courses toward certification under the Economic Development Program jointly coordinated by the University of Waterloo and the

Industrial Developers' Association of Canada. A diploma is awarded after completion of Year I and II which requires an essay for each year, two specialized seminars and a written research paper.

I.D.A.C. Conference & Professional Development Committee

The Industrial Developers' Association of Canada's (IDAC) annual conference was held in Calgary, Alberta September 14-17. The General Manager attended on behalf of the Commission. The theme of the conference was "Selling Canada." There were many presentations and discussions concerning Canada's position regarding freer trade.

Prior to the conference, there was a meeting of the Professional Development Committee. The General Manager is a member. The purpose of the committee is to determine and establish appropriate economic development programs at the University of Waterloo (English) and the Université du Quebec (French). Private organizations also submit education development programs to the committee requesting certification under I.D.A.C.

Also, relating the provincial association, the General Manager was elected to the position of vice president of the New Brunswick Industrial Commissioners' Association (NBICA). NBICA is closely associated with I.D.A.C.

Maine World Trade Association Trade Day

The Commission, with the Port of Saint John, co-sponsored a display at the Fifth Annual Maine World Trade day, held in Augusta in May. Close to 50 organizations participated. It was considered a worthwhile opportunity to create additional awareness of our region and the Port. With Maine at our area's doorstep, it is logical to develop a good rapport with the Maine business community in a continuing effort to develop beneficial trade relations.

Ottawa Port Days/Steel Mill Familiarization Tour

In October, the General Manager attended Saint John Port Days in Ottawa, then went on, as part of a delegation from the City of Saint John and the provincial government, to visit a specialty steel production plant in Winnipeg.

JETRO Executive Visits

The Executive Director of the Japan External Trade Organization (JETRO) visited Saint John in November to promote trade between Japanese and New Brunswick businesses. The Commission hosted a luncheon, at which the JETRO representative made a presentation. This was followed by afternoon meetings with local business people.

Hospitality Saint John

The Commission joined Hospitality Saint John which promotes the tourism industry. The Commission's Information and Promotion Officer is its representative and has become a member of the Executive Committee. Our organization is also a member of the Fundy Isles Tourism Association indicating interest in encouraging the tourism industry's development in the region.

Professional Development Session

In March, the Department of Commerce and Technology organized a professional development session for members of the province's economic development commissions. Our Chairman, General Manager and two Economic Development Officers attended. Two main presentations were made. One was given by Denzil Doyle of Doyle Tech on the preparation and importance of business plans. The other was presented by Arthur Doyle and offered quidelines on how to effectively deal with the media.

G.M. Visits Maine Chambers

The General Manager met with representatives of Waterville, Lewiston, Auburn and Portland, Maine chambers of commerce in February. He also made several presentations to related groups concerning doing business with southwestern companies. This is part of an ongoing effort to familiarize the Maine business community with prospective business in the local area and vice versa. In relation to this, the Commission is organizing a "Maine Business Mission" in April when it will take a group of local business people to Maine for meetings with appropriate company representatives in hopes that some dealings may result.

Annual Dinner

The Commission held its annual dinner at Riverside Country Club in September. The guest speaker was Paul Phoenix, Chairman of the Canadian Manufacturers' Association. His presentation topic was "a science policy for Canada." He talked about the

technological revolution and indicated that anyone who makes a product or provides a service will have to compete on technology.

Mr. Phoenix was speaking to a regional group including, the Commission's Board of Directors, municipal mayors and councilors, provincial and federal government representatives, as well as boards of trade and chambers of commerce members.

On behalf of the Commission, Joseph Mombourquette, provincial Minister of Labour, presented certificates of merit to several students who participated in the Student Venture Capital Program for their initiative and entrepreneurial spirit.

Community Profiles

Three community profiles of member municipalities were completed during the year. The Saint John and Sussex profiles have been put on our computer data base and are being distributed, while the St. Andrews profile draft is waiting for comments from municipal representatives prior to completion. Initial research has been done on St. Stephen and Hampton. St. Stephen will be the next profile to be undertaken.

These profiles offer an in-depth look at each community. Topics of information include: location, history, population, business/industrial base, labour force, income, transportation, municipal and business taxes, housing, financial and other assistance, utilities and other community services, education facilities, health care, climate, recreation and parks, tourism, municipal administration and media. A great deal of interest has been received from individuals representing business establishments or expansions, indicating the usefulness of these publications in marketing and other plans.

PERSPECTIVE Newsletter

Six issues of our PERSPECTIVE newsletter were published during the year. Feature articles highlighted marine research facilities in St. Andrews, agriculture, retailing, MMH Prefab Ltd. of Sussex, exportation, and franchising.

Our newsletter is a tool used to promote the efforts of the Commission, government assistance program approvals, other organizations which can assist every facet of the business community and anything else that staff feels could benefit it. It is distributed to approximately 1000 business and government representatives, most of who are located in southwestern New Brunswick.

Advertising

A tremendous amount of advertising was required this year, compared to past years. Although our basic strategy has been maintained, the Commission sponsored or co-sponsored many more business seminars and promotions throughout the period. This is a result of more emphasis being placed on management and export development seminars and general information sessions. Staff members feel these efforts have not only helped many of the region's businesses and potential entrepreneurs, but also have enhanced the profile of our organization.

The following is a list of paid ads for the year:

- special listing (representative of a small ad) in the yellow pages of the Saint John, Sussex and St. Stephen/St. Andrews telephone directories to provide ready access for the region's businesses and potential business people

- Telegraph Journal, Kings County Record and St. Croix Courier as applicable in May, June, September, October, November, January and February to publicize visits to St. Andrews, St. Stephen, Sussex, Hampton and Grand Bay by our Economic Development Officers

- Telegraph Journal and Evening Times Globe requesting applications for the position of Economic Development Officer

- Telegraph Journal promoting a Coopers & Lybrand luncheon featuring Maureen Farrow

- Telegraph Journal, Kings County Record and St. Croix Courier promoting May and June "Business Information Sessions"

- Telegraph Journal promoting the May 28th luncheon featuring Frank O'Berle, Minister of State, Science & Technology, following the signing of the federal/provincial innovation and technology agreement

- November issue of the Atlantic Advocate which featured the Village of Grand Bay

- Telegraph Journal/Evening Times Globe as part of a special Saint John Port Days supplement published in October

- St. Croix Courier, on a number of occasions, on behalf of the Charlotte County Citizens' Advisory Committee's "Fill in the Blank" business promotion

- Brunswick Business Journal in a special report on small business and exportation

- Telegraph Journal, in promotion of last November's Neill and Gunter Marketing Seminar which as subsidized by the provincial government

- in the Telegraph Journal in support of January's Atlantic Opportunities Program seminar

- St. Croix Courier, on behalf of NBCC Management Seminars (Personnel Management Seminar)

- The Citizen as part of a supplement welcoming Ronald's Printing to Saint John published in January

- The Citizen as part of a Port of Saint John special in January

- Telegraph Journal in promotion of February 4th Small Business Employer Information Session

- Kings County Record for the February 3rd Industrial Development Incentives Information Session in Sussex

- St. Croix Courier for the February 10th Small Business Employer Information Session in St. Stephen

- Telegraph Journal advertising the February 24th Industrial Development Incentives Information Session in Saint John

- Telegraph Journal on behalf of the Department of Tourism, Recreation and Heritage's "Financing Tourism Projects" session of March 24th

- Brunswick Business Journal in March, supporting a section on Kings County's agricultural industry

- Brunswick Business Journal, Telegraph Journal/Evening Times Globe and The Citizen as part of their annual business and industrial reviews and forecasts

- Atlantic Advocate, as part of an Atlantic Provinces business review special

- in March Brunswick Business Journal in support of a feature article on the General Manager and his role in this capacity.

In addition to many paid ads, a considerable amount of editorial material on a variety of business topics was submitted to all of these publications, much of which was published. This was often done as part of special business supplements.

In support of many of the information sessions which the Commission sponsored or co-sponsored, several related direct mailings were completed to help promote these events.

Also, press releases were distributed on a number of occasions relating to certain functions. And, in support of our Advertised Visits to communities and free Business Information Sessions, notices was sent to regional radio and cable companies in the form of public service announcements to be provided with additional coverage free of charge. Of course, publication of these notices was up to the discretion of the stations.

An analysis of advertising vehicles used has been completed which determined a cost/benefit comparison for each and makes recommendations for future promotions including the usage of additional tools. This study was primarily based on the "free information sessions" offered throughout the year, but can be used when promoting any event.

SAINT JOHN FUNDY REGION
DEVELOPMENT COMMISSION INCORPORATED

FINANCIAL STATEMENTS

MARCH 31, 1987

Clarkson Gordon

AUDITORS' REPORT

To the Board of Directors of Saint John
Fundy Region Development Commission Incorporated:

We have examined the balance sheet of Saint John Fundy Region Development Commission Incorporated as at March 31, 1987 and the operating and capital funds statements of revenues and expenditures and net assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1987 and the results of its operations and the changes in its net asset position for the year then ended in accordance with the accounting principles described in note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Saint John, Canada,
May 8, 1987.

Clarkson Gordon
Chartered Accountants

SAINT JOHN FUNDY REGION
DEVELOPMENT COMMISSION INCORPORATED
(Incorporated under the laws of New Brunswick)

BALANCE SHEET

MARCH 31, 1987

	1987	1986
ASSETS		
Cash	$ 19,815	
Short-term investments	71,512	$82,072
Accounts receivable	8,798	
Prepaid expenses	7,484	1,385
	$107,609	$83,457
LIABILITIES AND NET ASSETS		
Accounts payable and accrued charges	$ 8,210	$ 6,736
Net assets	99,399	76,721
	$107,609	$83,457

(See accompanying notes)

On behalf of the Commission:

Director

Director

SAINT JOHN FUNDY REGION
DEVELOPMENT COMMISSION INCORPORATED

OPERATING FUND

STATEMENT OF REVENUES AND EXPENDITURES AND NET ASSETS

YEAR ENDED MARCH 31, 1987

	1987	1986
Revenue:		
Province of New Brunswick	$151,200	$137,800
Saint John	69,000	71,000
St. Stephen	4,800	4,500
Sussex	3,900	3,700
Hampton	3,000	2,800
St. Andrews	2,200	2,000
St. George	1,100	1,000
Grand Bay	3,000	2,800
Stimulation grant	17,500	
Secretarial assistance		1,500
Other	18,096	11,382
	273,796	238,482
Expenditures:		
Salaries and benefits	163,487	116,789
Promotion	36,203	19,843
Office rent	13,018	13,142
Travel	22,812	16,136
Telephone and postage	11,175	13,156
Office equipment	8,260	5,934
Audit and accounting	1,455	3,440
Office supplies	5,253	6,014
Computer service agreement		2,041
Subscriptions	1,484	1,617
Associations	1,533	1,894
Bank charges	449	247
Other	10,476	10,870
	275,605	211,123
Excess revenue (expenditures) for the year	(1,809)	27,359
Net assets (deficit), beginning of year	26,354	(1,005)
Net assets, end of year	$ 24,545	$ 26,354

(See accompanying notes)

SAINT JOHN FUNDY REGION
DEVELOPMENT COMMISION INCORPORATED

CAPITAL FUND

STATEMENT OF REVENUES AND EXPENDITURES AND NET ASSETS

YEAR ENDED MARCH 31, 1987

	1987	1986
Revenue:		
Sale of land (note 3)	$24,577	$ 8,769
Other	2,791	3,612
Interest	5,547	4,972
	32,915	17,353
Expenditures:		
Park projects	8,428	7,873
Excess revenue for the year	24,487	9,480
Net assets, beginning of year	50,367	40,887
Net assets, end of year	$74,854	$50,367

(See accompanying notes)

SAINT JOHN FUNDY REGION
DEVELOPMENT COMMISSION INCORPORATED

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1987

1. Significant accounting policy

The financial statements of the Commission have been prepared in accordance with accounting principles considered appropriate for organizations of this type. These differ from generally accepted accounting principles in that expenditures of a capital nature are charged against revenue in the period in which the liability is incurred.

2. Revenue

The Province of New Brunswick, through the Department of Commerce and Technology, and the participating municipalities provide operating funds to the Commission based on the approved budgeted expenditures of the Commission.

3. Proceeds on sale of land

The Commission and the Province of New Brunswick have entered into agreements to share a portion of the proceeds from the sale of certain industrial parkland. The Commission's share of these proceeds is to be accumulated for further servicing and development of the parks in the region.

4. Comparative amounts

The comparative financial statements have been reclassified from statements previously presented to conform with the current year's presentation.